

AMERICAN GOALS IN THE TRADING SYSTEM

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Senate Committee on Finance
Washington, DC

September 29, 1999

Mr. Chairman, Senator Moynihan, Members of the Committee, thank you very much for inviting me to testify on the U.S. agenda at the World Trade Organization.

The months ahead are a critical period for both the WTO and the U.S. trade agenda. This November 30th to December 3rd we will host, and I will chair, the World Trade Organization's Ministerial Conference in Seattle. The Ministerial will be the largest trade event ever held in the United States, bringing heads of government, trade ministers, and leaders of business, labor and other non-governmental associations from around the world to Seattle, and focusing public attention as never before on the role trade plays in American prosperity.

At this Ministerial, we also expect to launch a new Round of international trade negotiations, for which President Clinton called in his State of the Union Address. This initiative has the potential to create significant new opportunities for American workers, businesses, farmers and ranchers; to ensure that trade policy does as much as possible to support and complement our efforts to protect the environment, improve the lives of workers; and to improve the WTO itself, to make the organization more transparent, responsive, and accessible to citizens.

We are now working at home and abroad to build the necessary consensus for an agenda with broad support in the U.S. and worldwide. With the Ministerial just two months away, the Finance Committee has chosen an ideal time to review the work; and I look forward to continuing to work closely with the Committee and other Members of Congress to ensure that the Ministerial and Round accomplish as much as they should for our country and for the world.

Today I would like to review for you our stake in the world trading system; the Ministerial; the results we hope to achieve at Seattle and in the Round; and the process by which we are building support for the agenda.

U.S. STAKE IN THE TRADING SYSTEM

The United States is now the world's largest exporter and importer, carrying on over \$2 trillion worth of goods and services trade each year. Thus, the jobs of millions of American workers, the incomes of farm families, and the prospects for many of America's businesses depend on open and stable markets worldwide. Furthermore, a strong trading system helps to give all participating nations a stake in international stability and prosperity, thus complementing

our work in security policy to keep the peace.

This is the foundation of the leading role we have taken in the development of the trading system for over fifty years. Since the creation of the General Agreement on Tariffs and Trade in 1948, Democratic and Republican Administrations, working in partnership with Congress, have concluded eight negotiating Rounds. Each successive Round has opened markets for Americans, and helped to advance basic principles of rule of law, transparency and fair play in the world economy. Most recently, since the conclusion of the Uruguay Round in 1994:

- Markets have opened, as a more open world economy has helped American exports to rise by well over \$200 billion. This has contributed significantly to the rapid economic growth we have enjoyed over the past five years, and the continuation of the longest peacetime expansion in America's history. At the same time, it has helped us to gain high-skill, high-wage jobs, reverse a 20-year period of decline in wages, and in fact increase wages by 6% in real terms.
- The rule of law has advanced, as the strong dispute settlement system created by the Uruguay Round has allowed us to improve enforcement of the trading rules significantly. Since the creation of the WTO, we have filed more cases than any other member, and have a very strong record of victories or favorable settlements in the cases we have filed.
- And we have gained a source of stability in the world economy. During the financial crisis of the past two years, with 40% of the world in recession, and six major economies contracting by 6% or more, we so far have seen no broad reversion to protectionism. This fact -- in large part a tribute to the respect WTO members have in general shown for their commitments -- has helped guarantee affected countries the markets they need to recover, while shielding our own farmers and manufacturing exporters from still greater potential damage.

THE WORK AHEAD

Despite these achievements, however, much work remains ahead. The trading system can be made more effective in removing trade barriers, more transparent and accessible as an institution, and broadened to include nations now outside. With the Ministerial and Round, we will address issues such as the following:

- World trade barriers remain high in many areas, including in sectors where the United States is the world's leader. Agriculture and services are crucially important examples; in industrial goods, we continue to face significant tariff and non-tariff trade barriers which a new Round can address.
- Our leadership in the scientific and technological revolution creates new challenges and opportunities for the trading system. Electronic commerce and the growth of the Internet

as a medium for trade is an especially important example.

- Membership in the WTO can make a major contribution to reform in the transition economies – that is, the nations in Europe and Asia moving away from communist systems. As successful reformers and WTO members such as Poland, the Czech Republic and Hungary have observed, WTO membership on commercially meaningful grounds helps to integrate transition economies into world trade and make the reforms necessary to create market-based economies, thus promoting long-term growth and liberalization.
- The results of future WTO agreements can contribute to the world's efforts to reduce hunger, protect the environment, improve the lives of workers, promote health and nutrition, support financial stability, fight bribery and corruption, and promote transparency and good governance worldwide.

The balance of my testimony today will review our WTO agenda in four areas: ensuring implementation of the members' present commitments; developing the agenda for a successful Ministerial and a new Round; encouraging the accession, on commercially meaningful grounds, of new members; and the specific steps that can advance the broader vision and yield immediate results for the U.S. and world economies.

I. COMPLIANCE WITH AGREEMENTS

First of all, we are working to ensure full compliance with existing agreements. The credibility of the trading system, and the value of any new negotiations, depend on confidence that WTO members will implement their commitments. We have done so on time and in full, and we expect our trading partners to do the same.

We have made this point clear to our partners in Geneva, and 1999 is an especially important year. By January 1, 2000, WTO Members must meet certain Uruguay Round commitments under the Agreements on Agriculture, Intellectual Property, TRIMs, Subsidies, and Customs Valuation. In succeeding years, final commitments under the Agreement on Clothing and Textiles as well as certain aspects of the TRIPS and Subsidies Agreements will phase in. Likewise, Uruguay Round tariff commitments will soon be realized in full.

These commitments represent the balance of concessions which allowed completion of the Uruguay Round and have helped realize its benefits since then. The credibility of any future negotiations depends on their implementation. To ensure implementation, we use all methods available. This includes use of dispute settlement and U.S. trade laws when necessary, but also a commitment to the technical assistance programs that allow some of the developing countries to gain the capacity to meet complex demands in areas such as services, agriculture and intellectual property.

Most recently, we made a proposal in Geneva stressing the critical importance of

implementing existing WTO agreements, such as those on sanitary and phytosanitary standards, textiles, technical barriers to trade, anti-dumping and intellectual property rights. The WTO's built-in agenda provides for extensive and critical review of agreements, and it is imperative that this work continue as the Round proceeds.

Finally, we are pressing those WTO Members who have agreed to, but not yet ratified, the Basic Telecommunications and Financial Services Agreements to do so as soon as possible. This will not only open markets to U.S. providers, but ensure that all Members can benefit from their commitments and that they can win the benefits of competition, transparency and technological progress these Agreements offer.

II. AGENDA FOR THE NEW ROUND

At the same time, we are working toward international consensus on the specific agenda for the new Round.

1. Developing the Agenda

In general terms, we believe the new Round must be focused on the top U.S. priorities; have an agenda broad enough to offer benefits to, and thus win support from, the WTO membership as a whole, thus creating maximum leverage for achieving our objectives; and yield concrete results rapidly without raising major new compliance problems.

Our development of specific objectives to realize these goals has its foundation in our domestic consultations with Congress, agricultural and business groups, labor organizations, academics, environmental groups, state and local government, and others interested in trade policy. This has included Trade Policy Staff Committee hearings in Atlanta, Dallas, Los Angeles and Chicago, as well as Washington DC, to gather ideas on priorities and objectives; a series of Listening Sessions jointly with the Department of Agriculture on the agricultural agenda, traveling to Indiana, Florida, Minnesota, Tennessee, Texas, California, Washington, Nebraska, Delaware, Vermont, Iowa and Montana to hear directly from farmers, ranchers and others interested in agricultural policy; and continuous consultation with Members of Congress, non-governmental groups, business associations and others in Washington. At the same time, we have been meeting with our trading partners to form international consensus on the negotiating agenda by the Ministerial, at meetings such as the US-Africa Ministerial, FTAA conferences, the US-EU Summit, the Quad meeting in Tokyo, and the recent APEC Leaders Meeting in New Zealand, as well as discussions at the WTO in Geneva.

Based upon these discussions, we believe that in general terms the Round should set the following goals.

- The core of the Round should address market access concerns including agriculture, services and industrial goods (tariff and non-tariff barriers), with benchmarks to ensure

that the negotiations remain on schedule for completion within three years.

- The Round should also pay special attention to areas in which trade policy can encourage technological progress, notably in electronic commerce.
- This Round should support and complement efforts to improve worldwide environmental protection, and ensure that trade policy yields the maximum benefit for the broadest range of workers.
- And the Round's negotiating agenda should be complemented and balanced by a forward work-program to address areas in which consensus does not yet exist for negotiations; and by a series of institutional reforms to the WTO, with a special focus on transparency and openness.

The timetable for achieving these goals would be as follows. At Seattle, the Ministers will take decisions launching the Round, agreeing on the subject matter, and setting out in specific terms the objectives of the three-year negotiations. To meet the three-year timetable, the Ministers must give directions on the manner in which the negotiations would proceed. In practical terms, the Ministerial must allow negotiations to begin in earnest at the beginning of 2000, with, as some WTO members suggest, tabling of initial negotiating proposals by the middle of the year. Further benchmarks to ensure progress would follow (such as a possible "mid-term" Ministerial review at the 18-month point) with negotiations to conclude by the end of 2002; ratification in 2003; and implementation to begin immediately afterward.

In the past months, we have laid out the details of our negotiating agenda at the WTO in Geneva, by filing formal proposals on agricultural market access, non-agricultural market access, services, implementation of commitments, trade and the environment, fishery subsidies, capacity-building, and trade facilitation. These proposals lay out a clear, specific and manageable agenda for the Round, as follows:

1. Market Access

Market access negotiations, as the core of the negotiations, should cover the built-in agenda of agriculture and services, but also address industrial goods.

In agriculture, aggressive reform of agricultural trade is at the heart of our agenda. In liberalizing trade we have the potential to create broader opportunities for American farm and ranch families, fight hunger and promote nutrition worldwide through ensuring the broadest possible supplies of food at market prices, ensure that farmers and ranchers can use the most modern and scientifically proven techniques without fear of discrimination, and help protect natural resources by reducing trade-distorting measures which increase pressure on land, water and habitat. To secure this opportunity, we would set the following objectives:

- Completely eliminate, and prohibit for the future, all remaining export subsidies as defined in the Agreement on Agriculture. This is a priority goal we now share with the Western Hemisphere trade ministers, all APEC members and the Cairns Group.
- Substantially reduce trade-distorting supports and strengthen rules that ensure all production-related support is subject to discipline, while preserving criteria-based “green box” policies that support agriculture while minimizing distortion to trade;
- Lower tariff rates and bind them, including but not limited to zero/zero initiatives;
- Improve administration of tariff-rate quotas;
- Strengthen disciplines on the operation of state trading enterprises;
- Improve market access through a variety of means to the benefit of least-developed Members by all other WTO Members; and
- Address disciplines to ensure trade in agricultural biotechnology products is based on transparent, predictable and timely processes.

In services, American industries are the most competitive in the world, as demonstrated by our \$246 billion in services exports last year. The Uruguay Round created an important set of rules, but in many cases, actual sector-by-sector market-opening commitments simply preserved the status quo. Effective market access and removal of restrictions will allow U.S. providers to export more efficiently, and help address many broader issues worldwide. Examples include improving the efficiency of infrastructure sectors including communications, power and distribution; improving environmental services; easing commerce in goods through more open distribution systems, thus creating new opportunities for manufacturers and agricultural producers; and helping to foster financial stability through competition and transparency in financial sectors. To realize these opportunities, U.S. objectives would include:

- Liberalize restrictions in a broad range of services sectors, including the professions, audiovisual, finance, telecommunications, construction, distribution, environmental, travel and tourism, and others;
- Ensure that GATS rules anticipate the development of new technologies, such as the telecommunications technologies now enabling colleges to teach, hold examinations and grant degrees via the Internet; home entertainment to be delivered by satellite; and advanced health care delivered directly to the home or to rural clinics through telemedicine.;
- Prevent discrimination against particular modes of delivering services, such as electronic commerce or rights of establishment; and
- Examine “horizontal” methods of improving regulatory policies across the different industries through general commitments, for example, to transparency and good-government practices.

In industrial goods, further market-opening will help Americans promote high-wage, high-skill jobs and create economies of scale that allow U.S. firms to invest more in research and development and become more competitive. Here, broad market access negotiations in the next

Round would build upon the Accelerated Tariff Liberalization initiative calling for the liberalization of eight specific sectors, and would proceed under the following principles:

- Reduce existing tariff disparities;
- Result in fully bound tariff schedules for all WTO members;
- Develop new sectoral agreements and increase participation in existing sectoral arrangements, including zero-for-zero and harmonization agreements;
- Provide recognition to Members for bound tariff reductions made as part of recent autonomous liberalization measures including WTO measures such as the Information Technology Agreement and Accelerated Tariff Liberalization, and for the general openness of markets.
- Seek interim implementation of results to be considered as an integral part of the overall balance of market access concessions to be determined at the conclusion of the new negotiations;
- Use of applied rates as the basis for negotiation, and incorporation of procedures to address non-tariff and other measures affecting market access; and
- Improve market access for least developed WTO Members by all other Members, through a variety of means.

2. Additional Overarching Issues

Most delegations, including the U.S., agree that negotiations should be completed within three years. Given this reality, and in order to find an appropriate balance of interests and a convergence of views, certain issues might be appropriate for a forward work program (e.g. on bribery and corruption) that would help Members, including ourselves, more fully understand the implications of newer topics and build consensus for the future.

In addition, several overarching issues will inform our work on the core market access negotiations. These would include:

a. Electronic Commerce

One of the most exciting commercial developments of recent years has been the adaptation of new information and communications technologies, notably the Internet, to trade. This has profound implications for reducing the cost of goods to consumers and improving the efficiency of companies. It can also speed growth in disadvantaged regions in the U.S. and developing countries, as Internet access greatly reduces the obstacles entrepreneurs, artisans and small businesses face in finding customers and managing paperwork.

It is critical that the WTO act now to ensure that artificial barriers do not delay or block the benefits of this new method of conducting trade. We have therefore promoted a broad electronic commerce agenda at the WTO and elsewhere, including a work-program to ensure technological neutrality in the development of WTO rules, and capacity-building efforts to ensure

that developing countries have access to the Internet. We are encouraged that most WTO members agree that all e-commerce activities are covered by the traditional WTO disciplines of transparency, non-discrimination and prevention of unnecessary obstacles to trade. As I will note later, our top immediate priority is to ensure that cyberspace remains duty-free – that is, that countries do not apply tariffs to electronic transmissions.

b. Sustainable Development and Committee on Trade and Environment

In all these areas, we intend to take special care to ensure that trade liberalization promotes and supports sustainable development. In particular, we will pursue trade liberalization in a manner that is fully consistent with and supportive of this Administration's strong commitment to protect the environment. The principles we will advance here will include:

- Considering the environmental implications of the negotiations from start to finish. President Clinton has committed to conduct an environmental review of the likely consequences of the Round, and we have called on other countries to do likewise. In the same vein, we have proposed using the WTO's Trade and Environment Committee to help identify the environmental implications of negotiations as they proceed.
- Promoting institutional reforms to ensure that the public can see the WTO and its processes, notably dispute settlement, in action; and contribute to its work, including assessment of the environmental implications of the new Round.
- Pursuing trade liberalization in a way that is supportive of high environmental standards. This means, among other things, that the WTO must continue to recognize the right of Members to take measures to achieve those levels of health, safety and environmental protection that they deem appropriate -- even when such levels of protection are higher than those provided by international standards -- in a manner consistent with our commitment to science-based regulation.
- Identifying and pursuing "win-win" opportunities where opening markets and reducing or eliminating subsidies hold promise for yielding direct environmental benefits. Examples we have identified thus far include elimination of tariffs on environmental goods through the Accelerated Tariff Liberalization initiative; liberalization of trade in environmental services; elimination of fishery subsidies that contribute to overfishing; and continued liberalization in the agriculture sector.
- Strengthening cooperation between the WTO and international organizations dealing with environmental matters. In this connection, we are pleased that discussions are going on right now between the WTO and the United Nations Environment Program on increasing cooperation.

We have tabled a number of proposals in Geneva to advance these objectives, and are

carefully examining the proposals put forward by other countries on trade and environment. In addition, as we look at other proposals from other countries that are not trade and environment proposals *per se*, we will consider how they relate to the environment and our commitment to high levels of environmental protection. In all of this work, we welcome the input of this Committee and all stakeholders.

c. Trade and Labor

Likewise, the relationship between trade and labor is an especially important priority. As President Clinton said to the ILO Conference in June:

“We must put a human face on the global economy, giving working people everywhere a stake in its success, equipping them all to reap its rewards, providing for their families the basic conditions of a just society.”

Trade policy has a role to play in the realization of this vision. Development of the trading system must come together with efforts to ensure respect for internationally recognized core labor standards. And the WTO system must bring the broadest benefits for the largest possible number of working people in all nations. Consistent with our statutory requirement under the Uruguay Round Agreements Act, we are working to build an international consensus that will enable the WTO to address the relationship between trade and labor issues.

In the Declaration issued at the WTO's First Ministerial Conference in Singapore, WTO members renewed their commitment to the observance of core labor standards. This was the first time Trade Ministers had formally addressed labor standards. While this was an important first step, we believe that more attention to the intersection of trade and core labor standards is warranted as governments and industries wrestle with the complex issues of globalization and adjustment. We also believe the WTO has an important role to play in the process. We are continuing to consult with Congress and the labor community in the U.S., as well as with WTO members who share our interest, on contributions the WTO can make to the goal.

In January, we submitted a proposal for the establishment of a work-program in the WTO to address trade issues relating to labor standards, and areas in which members of the WTO would benefit from further information and analysis on this relationship and developments in the International Labor Organization (ILO.) In addition, we will seek to enhance institutional links between the ILO and the WTO through mutual observer status, to help facilitate collaboration on issues of concern to both organizations. We will consult with the Committee on these matters in the months ahead.

Work at the WTO on these issues is, of course, part of a broader effort centered on the ILO, which with the President's leadership recently concluded a landmark Convention on the Elimination of the Worst Forms of Child Labor. This builds on a June 1998 Declaration on Fundamental Principles and Rights covering core labor standards as well as a follow-up

mechanism. In support of this work, the President announced in his 1999 State of the Union address a Core Labor Standards and Social Safety Net Initiative, including a budget request for \$25 million for multilateral assistance to be provided through the ILO, to help countries provide basic labor protections and improve working conditions. We also, of course, make use of the labor policy tools in our trade statutes, notably the traditional conditionality under the Generalized System of Preferences, to promote respect for core labor standards, among others.

3. Institutional Reform

The past five years of experience with the WTO have also revealed areas in which the institution can be further strengthened. It can more fully reflect the basic values of transparency, accessibility and responsiveness to citizens. And it can do more to ensure that its work and that of international organizations in related fields are mutually supportive, to promote as effectively as possible the larger vision of a more prosperous, sustainable and just world economy.

In response, we have proposed a set of reforms to make the WTO more effective in its policy responsibilities and at the same time strengthen the WTO's base of public support. These include:

Institutional Reforms that can strengthen transparency, and build public support for the WTO by:

- Improving means for stakeholder contacts with delegations and the WTO; and
- Enhancing transparency in procedures, notably dispute settlement, and the dissemination of information about WTO issues and activities to the maximum extent possible.

Capacity-building, to ensure that the WTO's less advanced members can implement commitments, and take maximum advantage of market access opportunities. This plan is based on our close consultation with our partners in Geneva to ensure that technical assistance and capacity-building programs meet the actual needs and practical experience of less developed countries. This is to benefit as well, advantage, as it will help these countries grow and become better markets for U.S. goods and services. Specific areas here would include:

- Improve cooperation, coordination and effectiveness among international organizations in identifying and delivering technical assistance;
- Build upon and expand the "Integrated Framework" concept adopted to help least developed countries implement commitments;
- Ensure the most effective use of resources on technical assistance programs;
- Strengthen capacity-building in regulatory and other infrastructure needs; and
- Explore a development partner program for the least-developed nations.

Trade Facilitation, which will ensure that U.S. small and medium-sized businesses as well

as less developed economies can take full advantage of the market-opening commitments created by the Round. Here, objectives would include:

- Clarifying and strengthening the transparency requirements of WTO Agreements; and
- Helping to improve customs procedures on a global basis, so as to increase transparency and facilitate more rapid release of goods, ensuring that our exports reach foreign markets more rapidly and with fewer encumbrances.

III. TOWARD THE MINISTERIAL

In the months ahead, we will be working with our trading partners to develop consensus on this agenda (including issues of timing, and benchmarks to ensure that the negotiations begin and end promptly), preparing logistically for a successful meeting in Seattle, and consulting with the Committee and the Congress on all these issues. We also hope to reach consensus on several initiatives which would help build the foundation of a successful Round, and take advantage of existing opportunities to open markets and reform the WTO. They would include the following:

1. Accessions

The accession of new WTO Members, on commercially meaningful grounds, is a major endeavor and critical for the creation of a fair, open and prosperous world economy.

Since 1995, seven new Members have joined: Bulgaria, Ecuador, Kyrgyzstan, Latvia, Mongolia, Panama and Slovenia. Estonia and Georgia have completed their negotiations as well. All of these represent strong, commercially meaningful agreements. With 31 more accession applicants, we look forward to further accessions on a similar basis in the months ahead. Already this year, we have completed bilateral negotiations with Taiwan and made significant progress on the accessions of Albania, Armenia, Croatia, Jordan, Lithuania, Moldova and Oman. We have also held important and fruitful meetings with Russia, Saudi Arabia and Ukraine. Our hope is that negotiations on a number of these accessions will have been completed by November.

The largest applicant for accession to the WTO is, of course, the People's Republic of China. After making significant progress in April, our negotiations with China were interrupted for over four months by the mistaken bombing of the Chinese Embassy in Belgrade. We resumed informal discussions with the Chinese early this month, and received direction from Presidents Clinton and Jiang at the APEC Leaders Meeting in to begin formal talks at the APEC Leaders meeting in New Zealand.

2. Dispute Settlement Review

Second, to promote American rights and interests, and to ensure the credibility of the WTO as an institution, a dispute settlement system that helps to secure compliance with WTO

agreements, provides clarity in areas of dispute, and is open to public observers is of great importance.

Our experience thus far with dispute settlement has been generally positive: we have used the system more than any other WTO member, with many successful results. The European Union's failure to implement panel results in two cases, however, has been very troubling. While we have retaliated against the EU in both instances, in a WTO-consistent fashion, we hope to take steps so that in the future, losing parties must comply or face penalties in a more timely fashion. Likewise, we believe the system can be more responsive to citizen concerns in a number of ways, notably through greater public access.

Thus, in the ongoing Dispute Settlement Review at the WTO, we are seeking to ensure greater transparency and timely implementation of panel findings. We are particularly interested in providing for earlier circulation of information on panel reports, making parties' submissions to panels public, allowing for submission of amicus briefs and opening the hearings to observers from the public. Our hope is to conclude much of this work by the Ministerial.

3. Electronic Commerce

As I noted earlier, we have begun a long-term work program in the WTO to ensure the unimpeded development of electronic commerce. In the immediate future, our priority is to avoid the imposition of tariffs on electronic commerce. No WTO member now considers electronic transmissions as imports subject to customs duties -- a policy affirmed when we led in securing the May 1998 "standstill" on e-commerce tariffs. We are working to secure consensus on extending this policy by the Ministerial, which would help us prevent the future imposition of an enormous new burden on this growing avenue for trade.

4. Market Access

Fourth, we hope to achieve agreements which expand market access opportunities in areas of interest to U.S. producers and to our trading partners in the months ahead. Two examples could include completion of the Accelerated Tariff Liberalization begun in APEC (eliminating or harmonizing tariffs in chemicals; energy equipment; environmental goods; fish and fishery products; gems and jewelry; medical equipment and scientific instruments; toys; and forest products) and an Information Technology Agreement II, adding new products to the areas already covered by the existing ITA.

5. Collaboration with Other International Organizations

Fifth, we are working toward making the WTO more able to collaborate with other international institutions, and vice versa, to support economic stability through mutual observer status, joint research programs when appropriate, better organization of technical resources, mutually reinforcing programmatic advice and assistance, and other specific initiatives. Such

organizations would include the World Bank, the International Monetary Fund, the International Labor Organization, the UN Environmental Program, the UN Development Program, the OECD, UNCTAD, and others.

6. Transparency

Sixth, specific measures to improve transparency, both as an institutional matter within the WTO, and in governance worldwide. Two priorities include:

- WTO – The WTO should ensure maximum understanding and access to meetings and procedures, consistent with the government-to-government character of the institution. As I noted earlier, dispute settlement is a special focus for this work. Essential goals include such additional measures as more rapid publication of panel reports, and more rapid de-restriction of documents.
- Transparency in Government Procurement – The WTO can also help to promote transparency and good governance worldwide. In this regard, an agreement on transparency in procurement would create more predictable and competitive bidding, which would reduce opportunities for bribery and corruption, and help ensure more effective allocation of resources. The APEC Trade Ministerial and Leaders Meeting both offered strong support for this goal.

7. Recognizing Stakeholder Interests

Seventh and finally, it is clear as trade grows and the trading system develops, interest in the WTO will also grow. This is clear from the interest many American civil society organizations (including businesses, labor organizations, agricultural producers, women's organizations, environmental groups, academic associations and others) have shown in the Ministerial and our plans for the Round. We believe this is a healthy development, and further believe delegations and WTO staff will benefit from hearing a broad range of opinions and views on the development of trade policy. We are thus working toward consensus on methods for such stakeholder organizations to observe meetings as appropriate, and share views as delegations develop policy.

I am pleased to report that the WTO will convene a symposium which will allow dialogue between WTO members and civil society as the Ministerial begins. This event will be all the more important as it will allow for dialogue between WTO staff, WTO, senior officials from member countries, and interested citizens as the activities leading up to the Ministerial conclude and the event begins.

CONCLUSION

In summary, Mr. Chairman, the United States in the months ahead has a remarkable opportunity.

Our predecessors in ten Administrations and twenty-five Congresses have left us a legacy of bipartisan commitment and achievement in creating a fair and open world trading system. As a result of their work, American workers are more productive, American companies more competitive and American families more prosperous than ever before.

In the years ahead, we can do the same for the next generation, if we work together to ensure that the WTO is adapted to address new areas of commerce, persistent trade barriers, and the concerns of our citizens. As host and Chair of the Seattle Ministerial Conference, we have a keen responsibility to help create and bring to completion the agenda that will realize this vision. We look forward to working in partnership with the Members of this Committee to do so.

Thank you very much.